

Exhibit 88

1
2 IN THE UNITED STATES DISTRICT COURT
3 FOR THE SOUTHERN DISTRICT OF NEW YORK

4 -----X
5 IN RE THE BEAR STEARNS COMPANIES,
6 INC. SECURITIES, DERIVATIVE,
AND ERISA LITIGATION, MASTER FILE NO.:
08 MDL No. 1963 (RWS)

7 This Document Relates To:
8 Securities Action
9 NO. 08 Civ. 2793 (RWS)

10 -----X
11 BRUCE S. SHERMAN,

12 Plaintiff,

13 VS.

Index No.:
09 CV 8161 (RWS)

14 BEAR STEARNS COMPANIES INC.,
15 JAMES CAYNE, WARREN SPECTOR and
16 DELOITTE & TOUCHE LLP,

17 Defendants.
18 -----X

19 **C O N F I D E N T I A L**

20 VIDEOTAPED DEPOSITION

21 OF

22 MATTHEW TANNIN

23 Thursday, September 18, 2014

24 One Battery Park Plaza

25 New York, New York

Reported by:

20 AYLETTE GONZALEZ, RPR, CLR, CCR
21 JOB NO. 84716

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A. Not including Everquest?

Q. "Not including Everquest."

Everquest is yet to come by KLIO, Circ?

MR. HURWITZ: Objection to the form.

A. Well, I don't believe, again, to the best of my recollection, that Bear Stearns was a counterparty to the KLIO transaction or the Circ transaction. Your initial question about --

Q. I was asking about the High Grade Fund and who it was trading with.

MR. HURWITZ: I'm sorry, can we -- it's your transcript, but first of all, can you not interrupt the witness?

And also second, can we just ask one question at a time so we have a clear record about what question the witness is answering?

MR. ZELCS: I -- I appreciate and encourage any recommendations you have, so thank you.

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Q. Go ahead.

A. Why don't we -- why don't you ask the question again.

Q. Better question.

We talked earlier about the transactions that the High Grade Fund had entered into with various Bear entities, you recall?

A. Yes.

Q. Okay. And I was trying to identify the various Bear entities that the High Grade Fund transacted with?

A. Yes.

Q. I threw out the name, the broker-dealer, Bear Stearns & Company, and you said yes, right?

A. Yes.

Q. Threw out the prime -- prime broker, which is Bear Stearns Securities Corporation, and I believe you said yes, right?

MS. BEATTIE: I actually don't think he -- he didn't answer that question.

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Q. Go ahead, answer it now.

MS. BEATTIE: So why don't you --

A. I believe the funds did transact with the prime broker.

Q. Okay. I was probably anticipating it, but we're there now.

What other Bear affiliates did the funds transact with other than the ones that I've mentioned?

A. I'm not aware -- I don't -- I don't recall an entity other than the broker-dealer and the prime broker.

Q. Okay. And when we talk about transacting with those entities, we're literally talking about thousands of transactions, correct?

MS. BEATTIE: Objection.

A. I believe that that's true, yes.

Q. There came a point in time when -- because of the affiliated nature of the Bear entities that were counterparties to transactions with the High Grade Fund, that there were issues raised about regulatory reporting and ultimately Bear band any such

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further related party transactions, correct?

MS. BEATTIE: Objection.

MR. HURWITZ: Objection to the form.

A. I don't believe that that's accurate.

Q. Okay. What's not accurate about that?

A. My recollection -- to the best of my recollection, there was a -- Bear Stearns Asset Management decided to put a temporary moratorium on trading with Bear Stearns entities.

Q. When did the temporary moratorium start?

A. I believe it was in August or September of 2006.

Q. Are we in sync that it preceded the sale to Ramparts/Everquest?

A. I believe so.

Q. Okay. Did the temporary band ever end before the funds failed?

A. Yes.

Q. When did it end?

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A. In March or April of 2007.

Q. Okay. So in the last 60 days before the High Grade and Enhanced Funds were liquidated, they were back doing transactions with Bear affiliates including the broker-dealer and the prime broker, correct?

MS. BEATTIE: Objection.

A. To the best of my recollection, there were repo transactions primarily. There may have been other positions traded, but I -- I don't recall, but my recollection is that it was primarily repo.

Q. And -- and the repo transactions were essentially overnight transactions where Bear was financing either the positions that the fund held or was seeking to -- to -- to take, correct?

MS. BEATTIE: Objection.

A. There were repo transactions; I don't recall sitting here today what the term of those repo transactions were.

Q. Can we agree that they were financing transactions?

A. Yes.

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that would have been -- she may have conveyed to Ralph what -- what the terms were or what the suggested terms were where Ralph may have agreed or proposed other -- other terms. But to the best of my recollection, Joan didn't have -- she didn't negotiate terms herself.

Q. Would the repo transactions have been with the broker-dealer or the prime broker or someone else?

A. I don't -- I don't know the difference in terms of which entity would have been.

Q. You don't know who was on the other side of those transactions with you, which entity, other than it was a Bear entity?

A. That's correct.

Q. Would you know who was negotiating with your fund, whether it be with Joan or Ralph, in terms -- the terms of such repo transactions on behalf of whatever that Bear entity was that was the counterparty on the repo transaction?

A. I don't recall.

Q. Okay. Did you ever know who that

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Q. Bear was advancing money for the fund, using fund assets as collateral, we're not sure as we sit here today what the term in terms of duration of those individual repo transactions was, correct?

A. That's to the best of my recollection.

Q. All right. Now, were you involved in those transactions, the repo transactions?

A. No, I was not.

Q. Who -- who -- who was involved in those transactions from the side of the fund that you were the COO of?

A. Joan Pusateri would have been primarily responsible for executing those trades, she had people who worked for her. And I'm sure Ralph -- to the best of my recollection, Ralph was also aware of which positions were being repo'd with who.

Q. Okay. Would Joan have been responsible for negotiating the terms of the repo transactions?

MS. BEATTIE: Objection.

A. To the best of my recollection,

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was?

A. I knew -- I'm not sure who on the repo desk, you know, I'm not sure with which person the terms were negotiated.

Q. Did you ever have any discussions with Tom Marano about those repo transactions the last 60 days before the funds went down?

A. I don't believe that I ever had conversations with Tom Marano, no.

Q. Do you know whether Ralph or Joan did?

A. I don't recall.

Q. Okay. Did you ever have any conversations with Warren Spector about those repo transactions?

A. I did not myself have any conversations with --

Q. Do you know whether Ralph or Joan did?

A. I don't know.

Q. Okay. When did you first begin to deal with Tom Marano?

MS. BEATTIE: Objection.

A. I don't recall whether it was in --

24 (Pages 90 to 93)

ERRATA SHEET
FOR THE DEPOSITION OF MATTHEW TANNIN
on September 18, 2014

In re the Bear Stearns Companies Inc. Securities, Derivative, and ERISA Litigation

08-MDL-1963 (RWS)

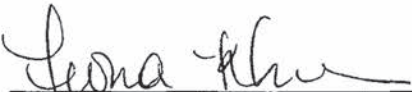
The Witness, MATTHEW TANNIN, states he wishes to correct the following errors in his testimony as transcribed and make the following changes:

PAGE	LINE(S)	ORIGINAL	CORRECTION	REASON
13	10	company	Company	Transcription Error
20	11	1990 --	DELETE	Correction
23	18	CDO	CDOs	Correction
24	14	told	hold	Transcription Error
26	8-9	high grade, is that the high -- same high grade	High Grade, is that the High -- same High Grade	Transcription Error
27	3	offshores at	offshore or	Correction
27	18-20	there was master funds that was at Cayman Island entities,	there was a master fund that was a Cayman Island entity	Correction
38	24	of	for	Correction
44	2	this	the	Correction
51	20	Cummins	Cummings	Transcription Error
51	24	guy, Sal's? Did that have	guy, Van Solkema? Did he have	Correction
69	6	funds? Were	funds, were	Punctuation
80	2	with	in	Correction
80	10	believe	believe,	Punctuation
83	5	knot.	"not."	Transcription Error and Punctuation
83	7	come one.	come on	Transcription Error
85	25	SBV	SPV	Transcription Error
86	4	by	like	Correction
88	25	band	banned	Transcription Error
89	22	band	ban	Transcription Error
92	12	entity would	entity it would	Correction
94	4	in	if	Transcription Error
95	2	the fund involved	that the fund was involved in	Correction
96	7	year, may	year, it may	Correction

PAGE	LINE(S)	ORIGINAL		CORRECTION	REASON
105	4	Bear		Bear Stearns	Correction
105	19	of		with	Correction
112	12	mark		marked	Correction
130	25	waive		waive,	Punctuation
141	23	could		did	Correction
142	24	or		for	Transcription Error
144	4	band		ban	Transcription Error
144	9	band		ban	Transcription Error
144	21	and		in	Correction
145	17	answer's		answer is	Transcription Error
156	5	any of		DELETE	Transcription Error
161	8	on my -- my		unlike my	Transcription Error
171	12	funds		funds,	Punctuation
175	23-24	reported me		reported to me	Correction
195	21	indirectly or		indirectly were	Transcription Error
196	11	on		in	Transcription Error
204	12	ABS,		ABS	Punctuation
205	19	there		it	Correction
207	15	we had subsequently		we subsequently	Correction


 MATTHEW TANNIN

Subscribed and sworn to before me
 this 5th day of November, 2014.


 Notary Public

My Commission Expires: Sept 11th 2019

FEONA KHAN
 Notary Public, State of New York
 No. 01BA6152435
 Qualified in Queens County
 Commission Expires Sept 11th 2019.